

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 1773 - HB 2045

February 11, 2020

**SUMMARY OF ORIGINAL BILL:** Increases the maximum monthly 401k matching amount from a state employer from 100 percent of the first \$40 contributed to 100 percent of the first \$75 contributed per employee per month, unless a higher maximum is specifically prescribed in the annual general appropriations act.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures –  
Exceeds \$12,479,300/FY20-21 and Subsequent Years

**SUMMARY OF AMENDMENT (014610):** Deletes all language after the enacting clause. Increases the maximum monthly 401k matching amount from a state employer from 100 percent of the first \$40 contributed to 100 percent of the first \$50 contributed per employee per month, unless a higher maximum is specifically prescribed in the annual general appropriations act.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

NOT SIGNIFICANT

Assumption for the bill as amended:

- The Department of Finance and Administration currently budgets so that the effective matching amount from state employers is 100 percent of the first \$50 per employee per month. It is assumed that, pursuant to this legislation, the effective matching amount from state employers will continue to be 100 percent of the first \$50 per employee per month; therefore, the fiscal impact is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The script is cursive and fluid.

Krista Lee Carsner, Executive Director

/abw